

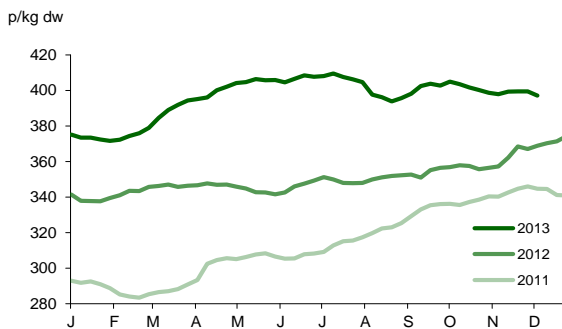
Cattle Weekly

13 December 2013, Issue 50

Hopes of increased prime cattle prices end

With a general acknowledgement of the absence of any significant seasonal uplift in the appetite for beef at retail level, expectations of a December increase in prime cattle values have diminished. Reports suggest that processors have largely secured supplies necessary to fulfil their Christmas retail contracts. In week ended 7 December, with all classes of prime cattle cheaper on the week, the [deadweight all prime average](#) declined 2p to 386.0p/kg. As consumers appear to be budgeting food purchases and without a last minute storm of retail activity, the market could remain subdued as the holiday period approaches.

GB R4L deadweight steer price



Source: AHDB / EBLEX

As in the deadweight trade, the latest prices at [GB auction markets](#) have also remained subdued. In week ended 11 December, the all prime cattle average was back 4p on the week at 207p/kg.

Despite the market on the continent still being under pressure from the amount of manufacturing beef available, [deadweight cow prices](#) edged up for the first time in 12 weeks. Looking ahead, export opportunities are likely to receive a welcome boost following Singapore lifting the ban on beef from the UK, put in place after BSE.

Producer share of the final retail price edges up in November

In November, both farmgate beef prices and average retail prices eased on the month. However with retail prices declining to a greater extent than farmgate prices, [the price spread](#) between the producer and the retailer widened. Producers received, on average, 57.4% of the final retail price during the month, a fraction more than in October. The price of all cuts of beef declined on the month, with the price of topside and premium mince falling to the greatest extent, by 4% and 3% respectively.

Cattle market at a glance

GB Liveweight prices week ending 11/12/13

	Price p/kg lw	p/kg change on wk
Steers	208.8	-3.3
Heifers	218.5	-5.8
Young bulls	187.3	+0.2
Cows	101.5	-2.3

GB Deadweight prices week ending 7/12/13

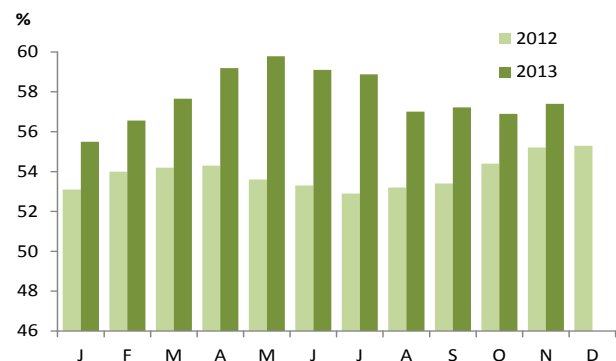
	Price p/kg dw	p/kg change on wk	
Steers :	R4L	397.1	-2.3
	All	389.8	-3.0
Heifers :	R4L	391.2	-3.9
	All	388.2	-1.5
Young bulls :	R3	365.3	-4.8
	All	354.1	-3.9
Cows :	-O4L	233.3	+0.2
	All	211.6	+3.7

GB Estimated slaughtering

	7/12/13	30/11/13
Steers	15,400	15,600
Heifers	12,700	12,500
Young bulls	3,900	4,300
All prime	32,000	32,300
Cows	10,600	10,900

Source: AHDB/EBLEX/LAA/IAAS

Producer share of the retail price - beef



Source: EBLEX/AHDB

The latest measure is also a higher share than producers were receiving a year earlier, when it was 55.0%. Despite a 5% increase in the average retail price compared with November 2012, the farmgate price was up 9%. Standard mince is recorded as being 13% dearer, while both braising and stewing steak are also significantly more expensive than a year ago.

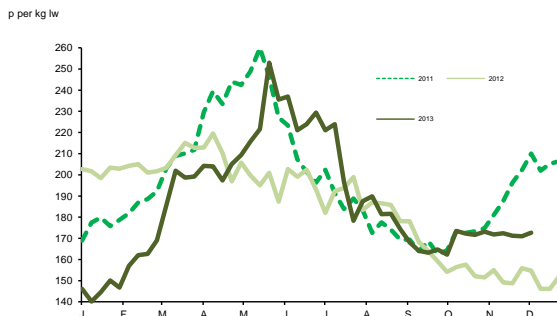
Sheep Weekly

13 December 2013, Issue 50

High numbers of lighter lambs keep a lid on prices

Once again there was little movement in [liveweight lamb prices](#) during week ended 11 December, with the GB SQQ adding just 2p to 173.8p/kg. However, with numbers forward 9% higher than in the previous week, this suggests some upturn in demand. There was a particularly sharp increase in the number of lambs in the light and super-light categories (32kg and under), suggesting some animals were being marketed early in advance of the holiday period. With light lambs making below average prices, this may have prevented a bigger increase in the SQQ.

GB liveweight lamb SQQ



Source: AHDB/ELEX/LAA/IAAS

Numbers of cull ewes were also up on the week but prices were still higher, with the average value less than 50p short of £50 per head for week ended 11 December. This meant prices moved above year earlier levels for the first time this year, although they were still low by historic standards.

Producers receiving more of retail price

During November, producers' share of average retail lamb prices was up, following seasonal falls over the previous four months. A rise in farmgate prices and a decline in the [average retail price](#) caused this monthly increase. The retail price fall since last month was largely due to decreases in prices for shoulder joints, down 6% on average, and loin chops, down almost 5%. However, whole legs of lamb were more expensive, up nearly 3% since October. Overall, producers received 50% of the retail price during November compared with 48% in October. This share was also up on last November when producers received a 45% share.

Average retail prices have increased marginally year on year, driven by price rises for whole legs, up 8%, and lamb steaks, up 3%. However, bone-in shoulder joints were cheaper than last year, down almost 4%, as were loin chops.

Sheep market at a glance

GB Liveweight prices week ending 11/12/13		
	Price p/kg	p/kg change on wk
Lambs SQQ - NSL	173.8	+2.0
	£ per head	£ change on week
Cull ewes	49.6	+1.5
Store lambs - NSL	53.6	0.4

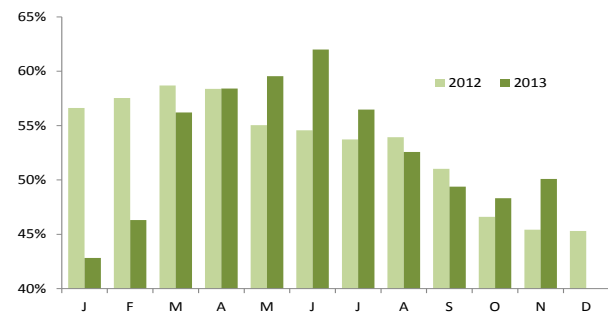
Deadweight prices week ending 7/12/13		
	Price p/kg	p/kg change on wk
GB lambs SQQ - NSL	396.4	-2.6

European prices week ending 8/12/13 (converted from €)		
United Kingdom	393.9	-1.7
Republic of Ireland	352.2	+3.6
France	543.6	-5.4
EU-25	420.7	-0.6

Estimated slaughterings (lambs)		
	7/12/13	30/11/13
Great Britain	279,000	282,000
Northern Ireland	9,980	10,400
Republic of Ireland	48,200	47,100

Source: AHDB/EBLEX/LAA/IAAS, EU Commission, Bord Bia, DARD

Producer share of retail lamb price



Source: AHDB/EBLEX

Although average retail prices have risen over the previous 12 months, producer prices have increased ahead of the retail price, closing the gap between farmgate and retail prices compared to last year.

Don't forget to book your place at Outlook 2014

Bookings are rolling in for the Outlook Conference on Wednesday 12 February 2014. This year's conference sold out and places will again be limited for the 2014 event. The opening address will be delivered by Food and Farming Minister George Eustice, with other key note speeches from McDonald's UK, on supply chains, and Gira, on international trade. There will also be separate sessions looking at the outlook for each of the livestock sectors. Further details of the conference programme can be found by [clicking here](#).